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**VIA ELECTRONIC FILING**

December 8, 2003

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

**Re: WC Docket No. 02-215  
In re Applications of WorldCom, Inc. for Consent to Assign Licenses  
WorldCom Opposition to Margaret F. Snyder's Motion to Disclose  
Documents**

Dear Ms. Dortch:

Please find enclosed MCI's Opposition to Margaret F. Snyder's Motion to Disclose Documents. Please do not hesitate to contact me should you have any questions. Thank you.

Sincerely,

Dennis Guard  
Dennis W. Guard

Attachment

cc: Gary S. Smithwick, Counsel to Margaret F. Snyder  
Arthur V. Belendiuk, Counsel to Margaret F. Snyder

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

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In re Applications of

WorldCom, Inc. and its Subsidiaries,  
As Debtor in Possession,  
Assignor

AND

WorldCom, Inc. and its Subsidiaries  
Assignee

For Consent to Assign Commission  
Licenses

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WC Docket No. 02-215

**OPPOSITION OF MCI  
TO MARGARET F. SNYDER'S  
MOTION TO DISCLOSE DOCUMENTS**

WorldCom, Inc. (debtor-in-possession) d/b/a MCI ("MCI") hereby submits an Opposition to the Motion to Disclose Documents ("Motion to Disclose") filed by Margaret F. Snyder on December 1, 2003.

The Federal Communications Commission ("FCC" or "Commission") should reject Ms. Snyder's request that the settlement agreements MCI entered into with certain of the Bell Operating Companies ("BOC Agreements" or "Agreements") be made publicly available.<sup>1</sup> The BOC Agreements, which were the result of complex negotiations, contain commercially and financially sensitive material and are subject to

bargained-for confidentiality provisions. Exemption 4 to the Freedom of Information Act (“FOIA”), “protects any financial or commercial information provided to the Government on a voluntary basis if it is of a kind that the provider would not customarily release to the public.”<sup>2</sup> This exemption makes eminent sense, because “[u]nless persons having necessary information can be assured that it will remain confidential, they may decline to cooperate with officials[,] and the ability of the Government to make intelligent, well informed decisions will be impaired.”<sup>3</sup>

The BOC Agreements contain financially and commercially sensitive information. Additionally, given that the Agreements are subject to confidentiality provisions, it is clear that they would not be “customarily release[d] to the public.” Indeed, all parties to the agreements have taken measures to prevent the unauthorized disclosure of this material. These Agreements therefore readily meet the test to be protected from public disclosure, and Ms. Snyder has shown no compelling reason why they should be treated otherwise.

Further, as the Commission is well aware, upholding confidentiality provisions in settlement agreements promotes the public interest by encouraging private settlement of matters. As one court notes, “confidential settlement agreements are likely in the long run to best serve the interests of the public and the parties alike: whatever the value of disclosure, it should not obscure the strong public interest in, and policy objectives furthered by promoting settlement. Thus, absent special circumstances, a court should

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<sup>1</sup> Ms. Snyder’s request is limited to those agreements with Verizon Communications Inc., SBC Communications, Inc. and BellSouth Telecommunications, Inc.

<sup>2</sup> *Critical Mass Energy Project v. NRC*, 975 F.2d 871, 880 (D.C. Cir. 1992); *cert. denied*, 507 U.S. 984 (1993). *See also* 47 C.F.R. § 0.457(d)(2).

<sup>3</sup> *Critical Mass* at 873 (internal quotations omitted).

honor confidentiality that are bargained-for elements of settlement agreements.”<sup>4</sup>

Indeed, “[s]ecrecy of settlement terms under such conditions is a well-established American litigation practice.”<sup>5</sup>

In any event, the bankruptcy court already approved the BOC Agreements, which completely undermines any argument that the Agreements are somehow improper and therefore should be made available to the public. Contrary to Ms. Snyder’s reckless and baseless accusations, the Agreements certainly did not entail any “illegal premium above what other legitimate creditors could expect to receive in return for the RBOC Parties’ promises not to disclose information to the FCC, not to file a petition to deny or otherwise not to interfere in WorldCom’s attempts to transfer its licenses.”<sup>6</sup>

Notwithstanding Ms. Snyder’s footloose rhetoric, the Agreements were global in scope and covered numerous business issues. The settlement amount was arrived at to settle monetary claims on various accounts – it was not designed somehow to extract an unreasonable sum of money in exchange for silence at the FCC. Indeed, in the Orders approving the BOC Agreements, the bankruptcy court specifically found that “[t]he settlement is fair and reasonable under the circumstances and in no way unjustly enriches any of the Parties. In addition, such settlement is in the best interest of the Debtors, their estates and creditors.”<sup>7</sup>

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<sup>4</sup> *Grove Fresh Distributors, Inc. v. John Labatt Limited*, 888 F.Supp. 1427, 1441 (1995) (internal quotations and citations omitted).

<sup>5</sup> *In re Franklin National Bank Securities Litigation*, 92 F.R.D. 468, 472 (E.D.N.Y. 1981).

<sup>6</sup> See Motion to Disclose at 8.

<sup>7</sup> *Order Approving Settlement And Compromise Of Certain Matters With Verizon Communications, Inc.*, United States Bankruptcy Court for the Southern District of New York, Chapter 11 Case No. 02-13533 (AJG) at 2 (July 29, 2003); *Order Approving Settlement And Compromise Of Certain Matters With SBC Communications, Inc.*, United States Bankruptcy Court for the Southern District of New York, Chapter 11 Case No. 02-13533 (AJG) at 2 (August 5, 2003); *Order Approving Settlement And Compromise Of Certain Matters With BellSouth Telecommunications, Inc.*, United States Bankruptcy Court for the Southern District of New York, Chapter 11 Case No. 02-13533 (AJG) at 2 (August 5, 2003).

### **III. CONCLUSION**

Accordingly, for the above-stated reasons, MCI respectfully requests that Ms. Snyder's Motion to Disclose be denied.

Respectfully submitted,

MCI

*Dennis Guard*

Dennis W. Guard

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Dated: December 8, 2003

### Certificate of Service

I, Lonzena Rogers, hereby certify that on this eighth day of December, 2003 a true and correct copy of WorldCom, Inc. Opposition to Margaret F. Snyder's Motion to Disclose Documents in the matter of *WC Docket No. 02-215* has been forwarded to the following via electronic or United States Postal Service first class mail:

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